

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: IES UTILITIES INC. and INTERSTATE POWER COMPANY	DOCKET NOS. TF-00-53 TF-00-54
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ORDER APPROVING TARIFFS AND REQUIRING NOTICE

(Issued March 31, 2000)

On March 2, 2000, IES Utilities Inc. (IES) and Interstate Power Company (Interstate) each filed with the Utilities Board (Board) proposed tariffs, identified as TF-00-53 and TF-00-54, that would allow interruptible customers to trade or exchange interruptions. IES and Interstate named the proposal the Experimental Electric Interruptible Demand Transfer program. It was designed as a result of discussions between two interruptible customers who were working on an agreement that would allow one customer to take the other customer's interruptions. Because one customer has excess cogeneration, it can absorb the other customer's interruption by increasing its on-sight generation.

The program is voluntary with all negotiations between customers. IES and Interstate act only as a clearinghouse by sharing the names of interested parties. On March 22, 2000, the Large Energy Group, an informal group of over 30 large energy consumers and major employers in Iowa, filed a letter in support of the proposed tariffs. No objections to the proposed tariffs were filed.

IES and Interstate will charge a monthly \$25 fee to each participating customer to cover the costs of additional meter data analysis. The charge will only be imposed in months that customers actually transfer interruptions. The program, experimental in nature, is designed to last through December 31, 2001. At the end of the program, IES and Interstate will analyze participation levels and expenses and determine if the program should be extended.

The Board will approve the proposed tariffs. The program is strictly voluntary and gives interruptible customers additional flexibility. Because the program is voluntary, the tariffs do not violate the rate freeze agreed to by IES and Interstate in conjunction with the merger proceeding with Wisconsin Power and Light to form Alliant Utilities. Non-participating customers will not experience any change in rates. In order to make interruptible customers aware of the new program, the Board will require IES and Interstate to notify those customers of the tariff changes.

IT IS THEREFORE ORDERED:

1. Tariff filings TF-00-53 and TF-00-54 are approved, subject to complaint or investigation.

2. IES Utilities Inc. and Interstate Power Company shall promptly notify all eligible interruptible customers of the tariff changes and file a copy of the customer notification with the Board.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Raymond K. Vawter, Jr. /s/ Diane Munns
Executive Secretary

Dated at Des Moines, Iowa, this 31st day of March, 2000.